

NEWS MEDCO VIEWS

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No. 2

New Pension Plan — Makes 100% Coverage

Final arrangements were completed in December for a new pension plan extending coverage to all non-bargaining employees and paid entirely by the company.

This plan makes it 100% for all MEDCO employees now covered by a pension plan and all costs are borne by the company. The cost of these plans will be in excess of \$100,000 per year for your company.

The new plan recently initiated, will credit those employees covered, effective in June of 1962. This plan offers benefits separate from your Federal Social Security program and will in no way affect those payments but will be an addition to retirement payments.

The effective date being June 1, 1962 will make this plan operate on a year beginning that date. The monthly benefit will be \$3.00 for each year of credited service.

All past service will be credited to each employee previous to the June 1, 1962 date, however service credits cannot be allowed during military service.

Retirement date will normally be the first of the month of the 65th birthday or the first of the following month. For those members who have reached their 65th birthday on or before June 1, 1962 then the retirement date will be February 1, 1963. Under certain conditions, a member may retire on his 55th birthday on a reduced amount of retirement annuity.

Woods Working

In keeping with the company policy to protect MEDCO employee jobs, the contract loggers have been temporarily suspended to save work for company employees. This will provide full employment until general woods shut-down because of weather.

Another event of interest to those in the woods is a recent timber sale acquired by the company. This sale, known as the South Fork Sale will provide additional timber to supplement that on our own lands. In buying timber we are able to further the selective logging program as outlined in the previous issue of this paper.

Under some conditions a man may remain in service after his normal retirement date with retirement annuity payments starting upon actual retirement. He will be credited for all service time.

If a member leaves the employ of the company before his normal retirement date but after he has completed at least 10 years of credited service he will retain 100% of the retirement annuity previously credited to him. His retirement payments will begin on his normal retirement date.

This plan has been adopted in recognition of your loyal service and we hope it will provide you and your family with a feeling of additional security.

Under The Wire

Guess the holidays have kept everyone too busy for such trivial things as having babies . . . but Don Burns in the Plywood Plant was planning this year's income tax return. He was favored with a 6 pound 9 ounce boy tax deduction on December 12th.

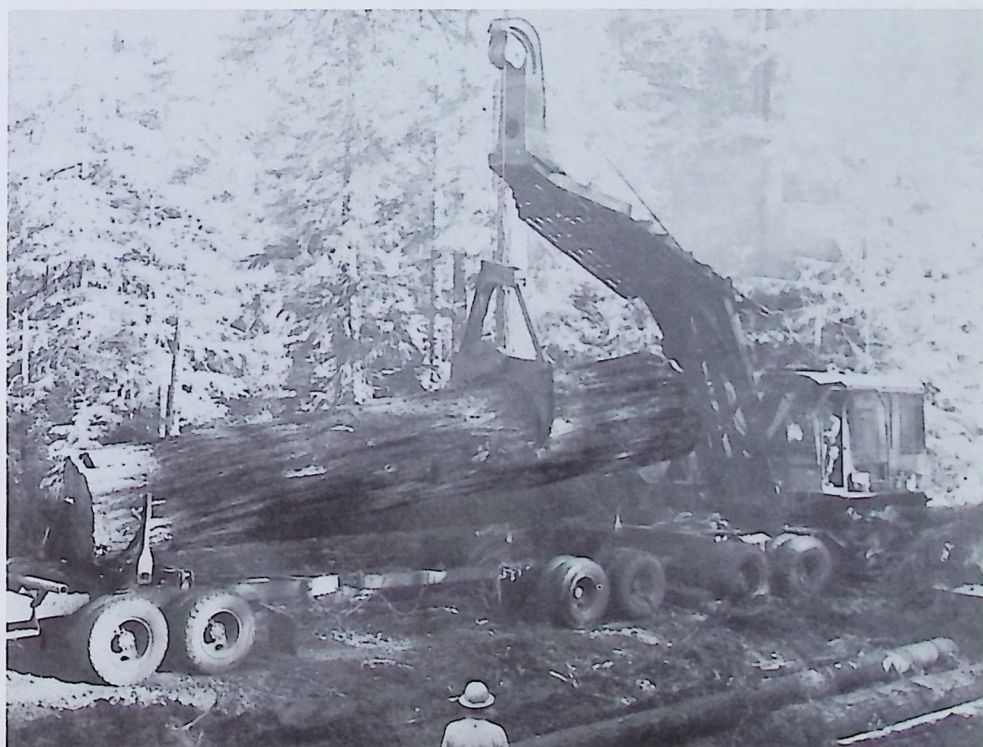


The new Friends Church on Crater Lake Blvd. in Medford is constructed of lumber and plywood from Medford Corporation. The unique style of architecture makes this a very outstanding building, one we predict will be copied in others soon.

"Grandpa Tom"

Tom Hutchins, Jr., is visiting his father, Tom, Sr., filer in the Planer Mill. Tom, Jr., brought a surprise with him in the shape of a husky new grandson for Grandpa Tom. Young Tom has been in the Navy at Corpus Christi, Texas and is enroute to Moffat Field in California with a few days off to visit folks in Medford.

Seems Grandpa ate all the ham before his guests arrived . . . can't tell whether it's ham or pride which has caused Tom, Sr., to be so puffed up he is practically walking on air.



Loading a big one in the woods takes some doing — putting one end up and then the other

What Comes Next?

Each year closes on an even more expensive and costly government. New services, new crisis in national protection and growing costs for schools, law enforcement, highways, health programs and the hundreds of other free things the American people have grown to take for granted are taking a large portion of every worker's check.

Thus in effect our nation's corporations—factories, stores, mines, utilities and all others work without pay for the federal government from January 1st to July 9th each year. The most important economic element in the nation is job-giving enterprises be they large or small. Production of goods from these jobs would be possible without taxation, but taxation would not be possible without production. Nor would production be possible without investment. Yet what happens to investors? The taxes treat them like Public Enemy No. 1.

"Mussolini's corporate state took 40 per cent of any profits. Hitler took 44 per cent. Both of these exploiters were pikers compared to Washington's 52 per cent bite."

Medford Corporation paid \$261,659.07 in property taxes last year to Jackson County and municipalities within the county. Of this total less than \$16,000 went to cities and special districts. Thus over \$245,000 was paid by your company for local school support.

The real bite comes to each employee in withholding taxes which the company is forced to take from each worker and send to the federal government. We forwarded \$400,413.00 of your money to Washington for you in 1962. This represents 12.3 per cent of the total annual payroll of \$3,256,420.00 paid to MEDCO employees in 1962. Employees paid \$79,350.00 into Social Security while the company paid the same amount into this fund for employee benefits. Both you and the company will pay 16 per cent more in 1963 because of the 1/2 per cent increase in Social Security tax. This is in addition to the retirement plans wholly financed by the company.

The State of Oregon took \$86,373.00 of MEDCO employees' money in the income tax payroll deduction.

Now if you add the hidden taxes tacked into the price of every single item you buy every day this represents an unbelievable tax load.

Where is this leading us?

Anticipated Lumber & Plywood Markets

This early in the year it is hard to project what the markets for our products will be for the total year. However, we talk to our many customers throughout the nation and get their reactions, as well as read all the industry forecaster reports, and try to analyze what can be expected for 1963.

Summarizing our findings it would appear that new housing starts will be approximately the same as 1962; some predictions are for a slight decrease in new starts. Industrial and commercial consumption of lumber and plywood should be at least as good as last year. National **consumption** of lumber and plywood for 1962 was about 3% ahead of 1961, and 5% ahead of 1960. The above has to do with volume of material used, consumed, not with production volume or price.

Price of lumber and plywood are affected by the basic economics, balance of supply (production volume) and demand or consumption. Lumber in 1962 held in close balance of supply and demand, and prices held at an even keel during most of the year, even though prices generally were

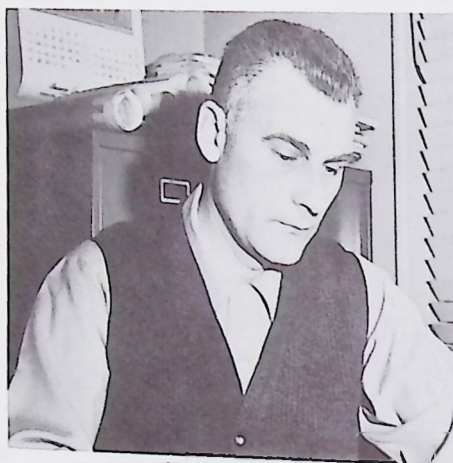
several dollars per thousand below the average for the years 1957 through 1960, they were slightly above the average for 1961.

Plywood production, with the advent of new plants coming into operation, supplied a more than adequate volume for the market; in fact, during a good part of the year there was a surplus of production as compared with the volume that was being consumed. As a result there was a softening in the market price, and prices declined to the lowest level that had been reached since World War II, and remained at that level most of the year. No improvement is presently in sight.

At the present time it would appear that the year 1963 will be on a par with 1962. We see nothing in the near future that would indicate a better year, and trust that 1963 will be no worse than last year.

The combined efforts of all MEDCO employees towards doing the best job we know how in keeping production volume up, and quality at tops, will keep your company strong and jobs secure for 1953.

Jack Hansen Promoted



Jack Hansen

Effective January 1st, Jack Hansen who has served at Plant Maintenance Superintendent was promoted to General Plant Superintendent in charge of all plant operations of the company.

Jack originally came from Aberdeen, Washington, spent some time with Associated Plywood of Eugene before joining U. S. Plywood where he was active in construction of sawmill and plywood plants. Jack came to MEDCO in 1960 to help in the planning and construction of our plywood plant.

Sales News

Many of you probably do not fully realize the importance of the sales of company products. It is really simple . . . if we can't, or don't sell the lumber and plywood produced—there are no jobs. Fortunately we have a good sales department headed by Ed Nave who never lets up on his job of finding a market for the products you are manufacturing in the plants.

Weather conditions do not seem to slow Ed from getting sales. He recently sold a car of lumber to a dealer in Kalamazoo, Michigan, where there was 32 inches of snow on the ground and it was still snowing. On the same day he took an order from a dealer in Watertown, N.Y. where there was 4 feet of snow.

Top quality products, carefully manufactured and handled can always find a market while others not so carefully produced sometimes find customers harder to sell.

"Daughter," said the mother, "I told you not to let strange men come to your apartment. You know things like that worry me."

"Don't be concerned Mother," replied the daughter, "I went to his apartment, now let his mother worry."

Credit Union Meet

The annual meeting of the MEDCO Employees Federal Credit Union will be held January 27th at the Knights of Columbus Hall in Medford at 1:30 p.m.

All employees are invited to attend whether or not they are members of the Credit Union. Coffee and cake will be served and a guest speaker has been invited to offer information on activities of employee group-operated credit functions. This will offer an excellent opportunity to get valuable information on savings and other benefits of your Credit Union.

Loader Moving

The Manitowac truck loader will be moved to the desert pond as it was last year to load logs for hauling to the mill during the time the woods is shut down. The loader will be operated by Lee Coffman, replacing Bob Coffman who plans to retire soon.

Retirements

The pension plans provided by the company has proven very helpful to several over the past year. Retiring from service with the company under the L.S.W. plan are Frank Blew, David Blumenstein, Roscoe L. Doty, Frank Fanger, Jr., Walter Kindred, H. Earl Peyton, Frank Vosika and most recently Earl Hoover.



Sales Manager Ed Nave was caught by the camera with a satisfied smile as he had just finished writing a big order.

Reporters Needed

We are still in need of volunteers to send us stories and information on the activities of MEDCO employees. If you can't find time to tell your foreman or if he won't listen—then just drop a note to the Editor, Chuck McCorkle at P. O. Box 694, Medford. Wives who want to see someone worthy mentioned for their activities or hobbies, drop me a note and I will call you to complete the story.



This happy crew of hungry looking men represents the planing mill crew who posed for the

camera and later asked that their thanks be conveyed to management for the turkeys and hams.



Lynn Stanger accepts a Christmas turkey from Mike Oreskovic with a big smile.

Two second-graders were on the playground when a plane swept overhead. "Look at the BX50," said one. "No," said the other, "it's a BX51, you can tell by the wing sweep." "You are right," conceded the first boy, "and it isn't going over 760 miles per hour because he didn't break the sound barrier." The second boy commented, "Those planes develop over 1200 lbs. of pressure when they go into a dive."

Then the school chime rang and the second boy said, "There's the bell, let's go in and finish stringing those damn beads."

Comedienne Phyllis Diller suspects she had too many drinks at a party: "When I got home I tried for an hour to take off my slacks over my head."

High Lead Changes

After a meeting between I.W.A. union committee and MEDCO officials Tuesday, Jan. 8th, it was announced the high lead logging operation using the portable steel spar tree will be shut down at the time of the general inventory shutdown but will not be resumed this spring.

This type logging operation is being suspended because it creates an excessive fire hazard due to buildup of slash and during the hot dry summer months the lines running over logs create extreme danger. Also this operation damages too much young growth and standing timber to be practical in view of our present planning for selective cutting. There have been many advances in the past couple years in high lead selective logging which will be explored for possible future use.

The loader and the cats which have been on the high lead show will be assigned to road building and logging right-of-way made necessary by the new logging program. Selective cutting will require more access roads since more areas will be covered to remove timber on a selective basis.

There will be no layoff of men because of these changes in operation. Some men will be returned to the same jobs they had before the portable spar tree was put in use. Road construction men who have been working on logging operations will return to building roads when work is resumed April 1st.

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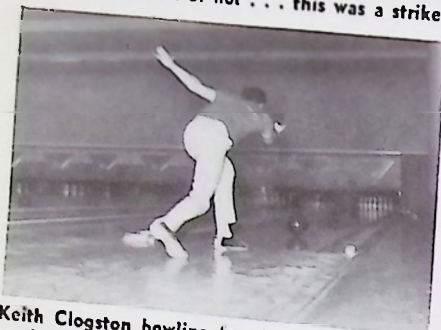
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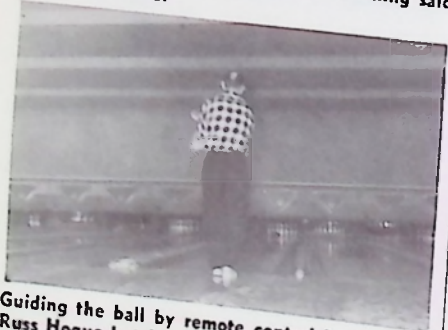
One of the most enthusiastic spectators at the bowling lanes was little Tara Stimmel. Possibly it is because her father, Terry Stimmel is bowling for the "Bark-Busters".



Shirley Hatcher displays top form in delivery ... and believe it or not ... this was a strike!



Keith Clogston bowling for the "Laps & Gaps" sends the ball down the alley ... nothing said about the score.



Guiding the ball by remote control is shown by Russ Hogue but he refuses to divulge his secret or the choice words used to accomplish the feat.

A plywood plant worker protested the tax clerk's ruling that the baby born on January 12th was not deductible on last year's income tax. "Why not," he asked, "it was last year's business."

Sick List

Hershell Porter is back on the job after a couple weeks off because of a leg injury. In this fog he couldn't drive so he had to walk.

Roy Lay had surgery at Sacred Heart Hospital and is expected back on the job soon ... probably before this paper is printed.

Touring

Clyde Kendrick and his family took a trip to the San Francisco bay area over the holiday shutdown. We heard the trip was to visit relatives but confidentially it was so he could save his ham.

"Monkey-Biz"

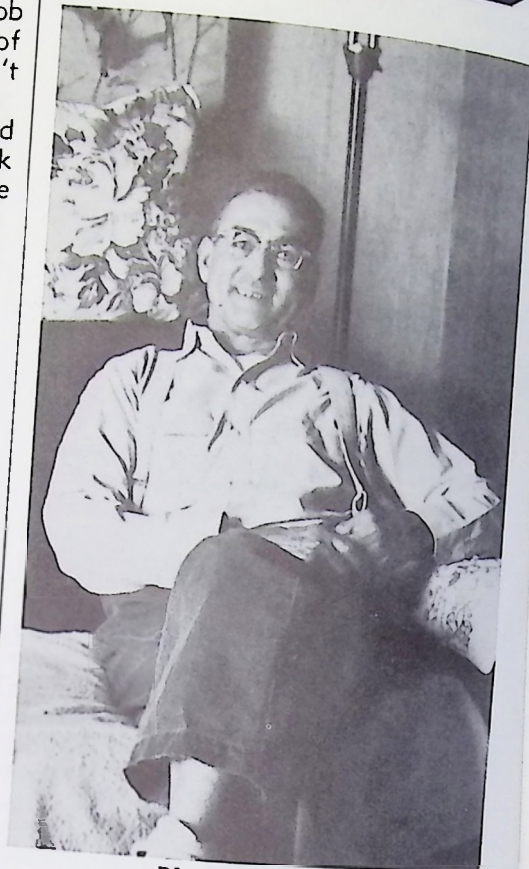
There are pets and then there are more pets but it is obvious that E. R. Vague of the Planer Mill has a couple of the most interesting pets. He has two monkeys and judging from his tone of voice they can be a problem at times. One is a white-throated "something we can't spell" and the other one is just plain monkey.

Medco Guests

Joe DeWayman Griffin, in the Marine corps and stationed in San Diego has been visiting his father, L. L. Griffin, in Medford. Joe expects to be transferred when he returns from leave but doesn't know where. "L.L." is also expecting his brother Sam, from Missouri, whom he hasn't seen in 18 years. This should be quite a reunion for the two brothers.

The scene would have reminded you of the "Gay 90's" with Grandma sitting in her rocker knitting while gently rocking to and fro. At her feet sat the little grandson busily engaged in building a house of toy blocks.

Suddenly the little boy looked up and asked, "Why are you knitting, Grandma?" Grandma paused, smiled kindly at the lad and answered, "Oh, just for the hell of it."



Pharaoh Dyer

Pharaoh Dyer has hung up his boots and left the cat-skinning to someone younger. The first man to retire from the MEDCO logger group under the I.W.A. retirement plan paid for by the company, Pharaoh will continue to live in Butte Falls and catch up on his fishing and hunting. He says he is only 10 minutes from fine stream fishing and less than 30 minutes from lake fishing so what more could a man ask for in a place to live. Born in Oakdale, Louisiana, he came to Medford in 1927, left to work in California but returned in 1942 and has worked for MEDCO since that time.

Pharaoh says every man should retire at 65 if possible. He says that by continuing to work, you miss the enjoyment of going fishing without a worry about job or time.

When the editor visited Mr. Dyer in Butte Falls we caught Mrs. Dyer busy painting and she offered this comment, "Shorty is retired but I am not."